

Budget Brief – Equipment Management

TEQNG BB 13

SUMMARY

The Equipment Management program of the Department of Transportation is organized into three primary programs: Maintenance Planning, Equipment Purchases, and Central Repair Shops.

The Equipment Management Division is responsible for management, maintenance and repair of the Department's 3,994 units, \$57,000,000 fleet. They have 89 employees and expend over \$16,000,000 to operate, maintain and purchase replacement units.

The Maintenance Planning Unit assists the six region/district maintenance engineers in planning and programming annual maintenance projects in each of their respective districts.

ISSUES AND RECOMMENDATIONS

The base budget for the Equipment Management Division of the Department of Transportation line item for FY 2007 is \$17,929,000. This funding is for three programs within the line item, including Maintenance Planning, Equipment Purchases, and Shops.

Equipment Purchases

The Equipment Management System maintains a computerized system containing an accounting of expenditures on each individual vehicle and maintenance-type piece of equipment; requests and executes work programs for buying replacement vehicles and maintenance equipment; provides specialized training programs to improve the skills of equipment operators and mechanics; analyzes computer reports in an effort to discover ways of improving fleet operations, reducing maintenance and repair costs and increasing the usage of equipment.

Anticipated purchases are \$6,909,900 for road equipment. Other expenditures include \$39,300 for small shop tools and equipment, \$290,000 for 800 MHZ, and \$130,000 SRS radio contract. Total program funding recommendation for this program is \$7,369,200.

Figure 1: Transportation - Equipment Management - Budget History

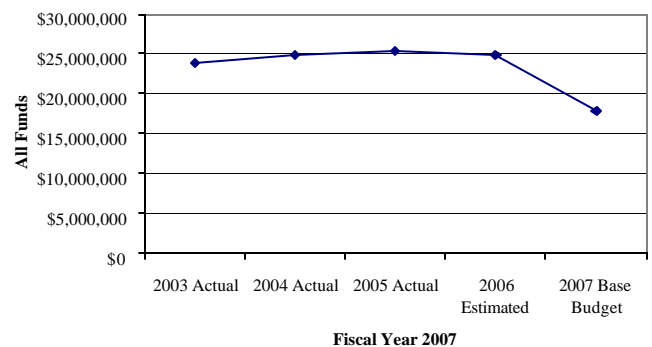


Figure 2: Transportation - Equipment Management - FTE History

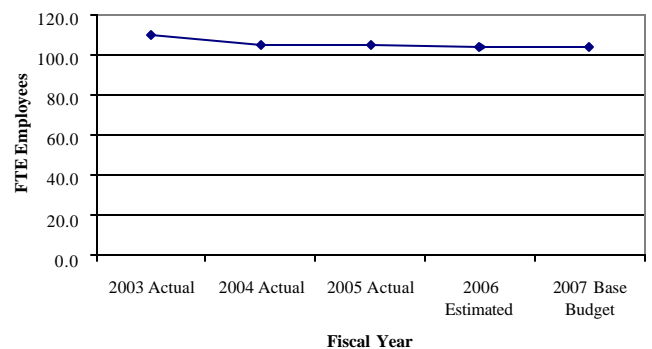
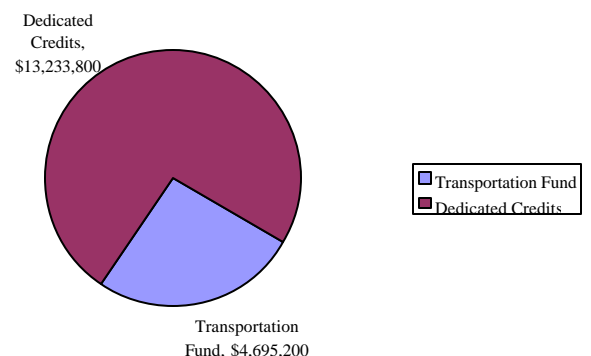


Figure 3: Transportation - Equipment Management - FY 2007 Funding Mix



Shops

The Central Repair Shops carry out a program of preventive maintenance and repair of all department-owned vehicles, trucks and maintenance equipment. All districts except District Two of the Department of Transportation have maintenance and repair crews located within the district. District Two maintenance is handled at the central shops located at the Calvin L. Rampton complex. The base budget for FY 2007 is \$9,367,100.

Maintenance Planning

The Maintenance Planning office is responsible for administering the maintenance operations of the State Highway System. Specifically, this office prepares the annual maintenance budget, develops improved maintenance activities, encourages the training of all maintenance personnel in each region, and develops the yearly maintenance work program. This office also manages the contract maintenance work performed throughout the state. The FY 2007 base budget recommendation for Maintenance Planning is \$1,192,700.

BUDGET DETAIL

The base budget for Equipment Management line item is \$17,929,000. Of this amount \$4,695,200 is from the Transportation Fund and \$13,233,800 is from Dedicated Credits. The appropriation covers the budgets of Equipment Purchases, Shops, and Maintenance Planning.

Transportation - Equipment Management						
Sources of Finance	FY 2005 Actual	FY 2006 Appropriated	Changes	FY 2006 Revised	Changes	FY 2007* Base Budget
Transportation Fund	4,506,500	4,695,200	0	4,695,200	0	4,695,200
Dedicated Credits Revenue	20,862,300	13,233,800	6,861,600	20,095,400	(6,861,600)	13,233,800
Transfers - Within Agency	0	0	0	0	0	0
Beginning Nonlapsing	75,000	0	0	0	0	0
Total	\$25,443,800	\$17,929,000	\$6,861,600	\$24,790,600	(\$6,861,600)	\$17,929,000
Programs						
Equipment Purchases	7,220,900	7,369,200	0	7,369,200	0	7,369,200
Shops	17,115,200	9,367,100	6,861,600	16,228,700	(6,861,600)	9,367,100
Maintenance Planning	1,107,700	1,192,700	0	1,192,700	0	1,192,700
Total	\$25,443,800	\$17,929,000	\$6,861,600	\$24,790,600	(\$6,861,600)	\$17,929,000
Categories of Expenditure						
Personal Services	6,596,500	6,286,600	15,100	6,301,700	0	6,301,700
In-State Travel	20,800	18,900	2,100	21,000	0	21,000
Out of State Travel	20,400	8,400	11,900	20,300	0	20,300
Current Expense	12,783,700	5,712,600	6,559,500	12,272,100	(6,861,600)	5,410,500
DP Current Expense	16,600	7,400	200	7,600	0	7,600
Capital Outlay	6,310,200	6,395,100	72,800	6,467,900	0	6,467,900
Other Charges/Pass Thru	(304,400)	(500,000)	200,000	(300,000)	0	(300,000)
Total	\$25,443,800	\$17,929,000	\$6,861,600	\$24,790,600	(\$6,861,600)	\$17,929,000
Other Data						
Budgeted FTE	105.0	104.0	0.0	104.0	0.0	104.0
Vehicles	3,905	5,284	(1,379)	3,905	0	3,905

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

LEGISLATIVE ACTION

The Base Budget Bill includes a base budget for FY 2007 for the Equipment Management line item in the amount of \$17,929,000.